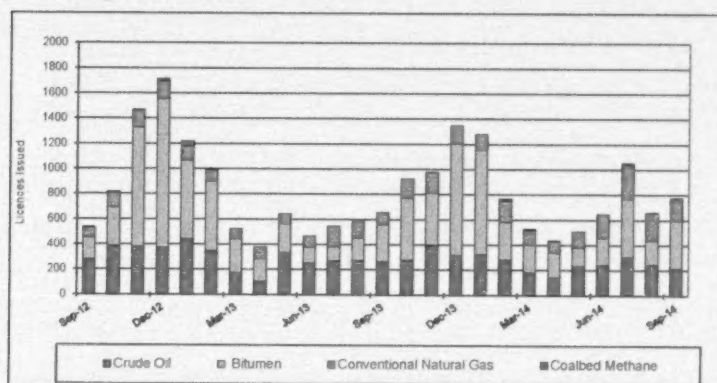


October 2014 Industry Activity Report

Monthly Well Licences



The Alberta Energy Regulator issued 777 well licences in September, up 19% from the 654 issued in September 2013.

There were 213 licences issued for crude oil in September, down 19% from the 262 crude oil licences issued in September 2013.

84% of the crude oil licences issued in September were for horizontal wells, unchanged from this time last year.

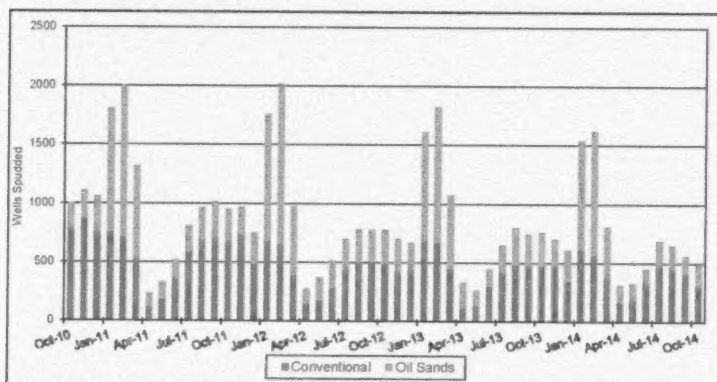
There were 179 natural gas well licenses (excluding CBM) issued in September 2014, 92% higher than the 93 licences reported last September.

74% of natural gas well licenses issued in September were for horizontal wells, down from 81% from the same period last year.

September			
Licensed Wells	Drilling Type	Total Licences	Per cent of Total Licences
Natural Gas	Horizontal	133	23%
	Vertical/Direct	46	
Coal Bed Methane	Horizontal	2	1%
	Vertical/Direct	2	
Crude Oil	Horizontal	178	27%
	Vertical/Direct	35	
Bitumen	Horizontal	103	49%
	Vertical/Direct	163	
	Evaluation	115	
Total		777	100%

Source: Alberta Energy Regulator

Alberta Wells Spudded (estimates)



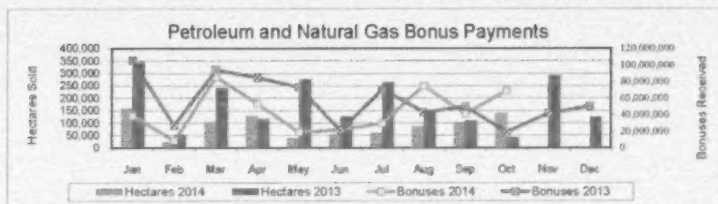
There were 493 spuds in October, 35% lower than the 764 spuds in October 2013.

The number of spuds to the end of October was 7,493, down 12% from this period last year.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Conventional	919	871	285	66	143	316	716	672	485	789	875	753	6,890
Oil Sands	698	1007	308	97	73	106	179	206	166	215	238	312	3,605
Conventional	763	711	532	120	179	356	588	691	704	661	732	486	6,543
Oil Sands	1049	1292	786	121	155	169	224	276	315	274	242	271	5,174
Conventional	684	659	391	144	181	279	440	493	504	487	422	442	5,126
Oil Sands	1079	1363	589	132	194	239	264	292	280	295	284	229	5,240
Conventional	683	673	452	108	133	299	417	486	481	477	469	348	5,026
Oil Sands	933	1153	627	231	136	153	237	315	266	287	236	268	4,842
Conventional	615	562	377	165	187	331	477	448	412	315			3,889
Oil Sands	934	1066	433	152	146	124	214	205	152	178			3,604

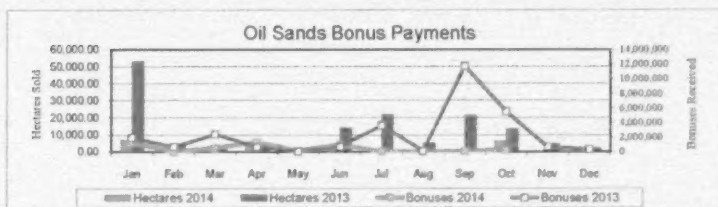
Source: Alberta Energy Regulator

Petroleum & Natural Gas & Oil Sands Land Sales



October land sales totalled \$69.3 million with an average price of \$469.62/hectare.

So far in 2014, \$446.7 million has been collected (\$482.61/hectare), a decrease of 27% from this period in 2013 when total revenue was \$614.9 million (\$329.31/hectare).

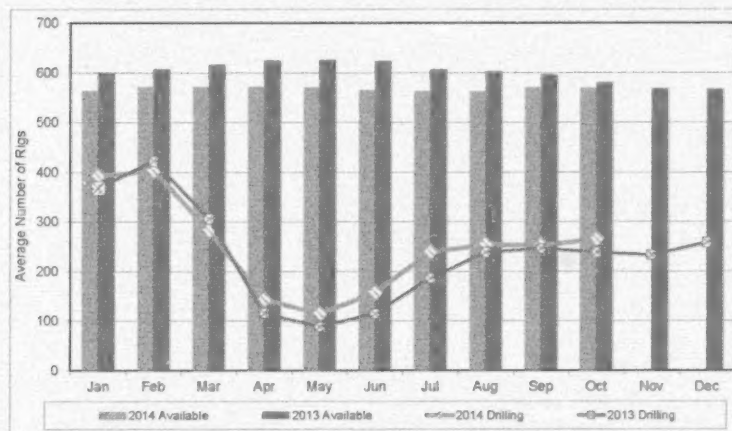


Petroleum and Natural Gas Rights	Oct-14	Oct-13	YTD 2014	YTD 2013
Bonuses	\$69,023,872.72	\$19,042,375.14	\$442,230,671.07	\$587,632,186.33
Hectares	141276.72	42256.00	899492.48	1727360.08
Average Price per Hectare (Cdn\$)	\$488.57	\$450.64	\$491.64	\$340.19

Oil Sands Rights	Oct-14	Oct-13	YTD 2014	YTD 2013
Bonuses	\$268,086.40	\$5,484,097.28	\$4,506,046.30	\$27,219,644.34
Hectares	6272.00	13696.00	26175.20	139710.32
Average Price per Hectare (Cdn\$)	\$42.74	\$400.42	\$172.15	\$194.83

Source: Alberta Energy

Alberta Rig Activity



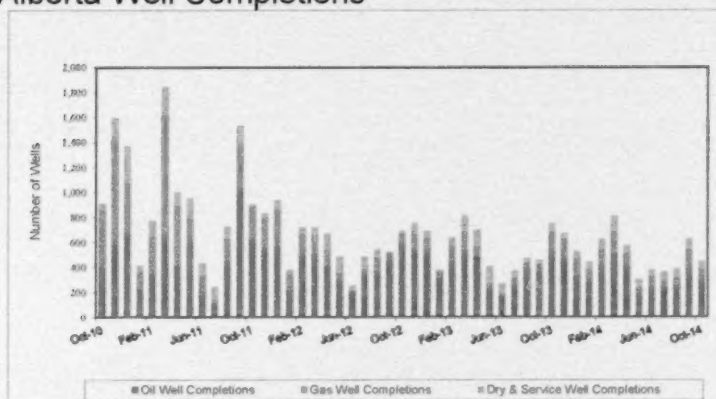
In October, Alberta utilized 47% of the 568 available rigs. October 2013 saw 41% of the 580 available rigs working.

With about 567 rigs available, the average fleet utilization for the 10-month period was 44%. For this period in 2013, an average of 607 rigs were available for drilling with 38% of them at work.

October	Drilling	Down Available	Rig Util. Oct-14	Rig Util. Oct-13	
Alberta	265	304	568	47%	41%
Saskatchewan	80	73	153	52%	47%
British Columbia	42	20	62	68%	68%
Northwest Territories	1	0	1	75%	
Manitoba	14	12	26	54%	36%
Canada	402	410	812	50%	44%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



Well completions in October totalled 442, down 41% from last October when there were 753 completions reported.

So far, reported completions total 4,964, down 5% from the 5,207 completions reported last year. To-date, oil completions are down 13% from 2013 while gas completions are up 24%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2010	Oil Wells	253	144	397	198	400	126	131	168	357	402	999	676	4,251
	Gas Wells	324	308	632	418	462	117	110	135	638	461	847	403	4,855
	Dry & Service	62	79	141	6	51	41	26	43	59	46	169	294	1,017
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380	447	588	533	523	4,945
	Gas Wells	131	181	146	141	62	12	46	98	65	81	137	110	1,210
	Dry & Service	35	48	55	126	128	37	94	63	12	23	80	59	760
2013	Oil Wells	313	449	544	481	230	179	263	394	357	528	463	333	4,534
	Gas Wells	59	124	149	91	47	14	59	46	72	153	164	139	1,117
	Dry & Service	9	67	119	129	66	79	51	34	29	72	44	58	757
2014	Oil Wells	280	427	520	418	188	240	245	257	389	280			3,244
	Gas Wells	105	119	166	94	54	94	52	63	154	105			1,006
	Dry & Service	57	80	126	62	63	45	70	69	85	57			714

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com